

Exhibit 2



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Esther George, President and Chief Executive Officer
Federal Reserve Bank of Kansas City
1 Memorial Drive
Kansas City, MO 64198

[Via electronic mail]

January 5th, 2021

Re: Avanti Financial Group, Inc. and other Special Purpose Financial Institution Applicants

Dear Mrs. George:

I appreciate the opportunity to provide this letter in support of the master account applications of Wyoming special purpose depository institutions generally and Avanti Financial Group, Inc. ("Avanti") specifically to the Federal Reserve Bank of Kansas City. The laws, rules and regulations promulgated by the State of Wyoming applicable to special purpose depository institutions provide the answer to certain regulatory and legal questions that had previously hindered the creation of a chartered bank with the ability to custody and transact in digital assets.

As the Chief Executive Officer of LedgerX, I support Avanti's application for a master account, and [REDACTED] Avanti has proposed novel solutions to real commercial problems. It is my belief that these solutions would meaningfully mitigate risks for LedgerX in ways that other banks and financial institutions are unable to match.

LedgerX is a digital asset futures and options exchange and clearinghouse, headquartered in New York City and regulated by the US Commodity Futures Trading Commission (CFTC). Founded in 2013, LedgerX was the first company in the digital asset industry to become federally regulated by the CFTC. LedgerX now holds licenses to operate as a Designated Contract Market (DCM), Derivatives Clearing Organization (DCO), and Swap Execution Facility (SEF).

Our customers include digital currency traders, consumers, miners, and investment funds. LedgerX is available to both retail and institutional investors 24x7 and offers physical settlement of all contracts, block trading and marketing making opportunities for institutional investors, and direct access for all traders. Since going "live" in 2017, LedgerX has cleared over 10 million options and swaps contracts.



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In my previous role as chief technology officer (CTO) at LedgerX, I hired Bryan Bishop (who is presently Avanti's CTO) as a senior software engineer and blockchain architect reporting directly to me. From 2014 through 2018, Mr. Bishop was responsible for developing a number of software systems at LedgerX, including a ledger integration against the Bitcoin blockchain, software and systems to secure custody of digital assets, and the contract assignment algorithm used during options settlement. I hired Mr. Bishop for a variety of reasons, not the least of which were his impressive expertise in startup environments developing new business applications and software, and his bitcoin expertise, which proved invaluable. At LedgerX, Mr. Bishop's custody software has not experienced a known breach or loss of funds, and has passed numerous security, financial and regulatory audits. I believe that Mr. Bishop is a diligent, skilled expert in software engineering (with a particular emphasis on digital assets) and is the right person to build a digital bank for Avanti--indeed, he is perhaps uniquely skilled, conscientious and qualified to build such a bank in a secure, compliant manner. I am proud to serve as an adviser to Avanti; in this capacity, [REDACTED]

Once operational, Avanti could solve a number of important problems for LedgerX. Currently, there is not an optimal way to transfer US dollars quickly and with the settlement finality that meets the needs of the regulated digital asset industry, including LedgerX. ACH cannot be used in an efficient manner because of delayed settlement and the risk of clawbacks. Digital assets, on the other hand, have comparatively instantaneous settlement, which poses a problem for the settlement of trades where US dollars are funded by ACH on one side of the trade. LedgerX, for the moment, therefore has to use wire transfers through its banking partners. However, even wire transfers pose problems, such as the inability to determine the in-transit status of a wire transfer, trouble finding lost wires, and the general delays associated with wire transfers that create unnecessary friction. This friction imposes negative consequences on arbitrage and other trading strategies that our customers need to meet their business goals.

"Stablecoins" have been created as an attempt to solve these problems. An example of a U.S. dollar denominated stablecoin is Tether, which is issued by Tether Ltd. NYDFS-regulated stablecoins also exist, including USDC, Paxos Standard and Gemini Dollar.

It is possible that federal financial regulators could consider allowing derivatives clearinghouses to collateralize options contracts with regulated stablecoins, such as Paxos Standard, but such assets would be given haircuts to reflect their lack of Federal Reserve oversight and audit, and their relatively light regulation because they are issued by trust companies instead of banks. If clearinghouses must take even a small haircut on the value of the stablecoin when it is posted as collateral to a CFTC or SEC-regulated clearinghouse (i.e., as collateral for any security, security derivative, or commodity derivative transaction such as stocks, futures, options, etc),



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the clearinghouse must come up with the balance in order to properly collateralize its position. Avanti's proposed Avit product would likely be well-positioned to potentially receive a 0% haircut treatment given its Federal Reserve master account and regulatory audits of its creation/redemption process. Not all stablecoins are created equal for purposes of posting collateral, and the haircut percentage is likely to be the problem for the relatively lightly-regulated stablecoin products that exist today. A stablecoin issued by a SPDI that holds 100% reserves would go a long way to resolving the concerns that I expect may lead to haircuts for other stablecoin products on the market.

While U.S. dollar stablecoins were created to solve U.S. dollar payment problems in the digital asset industry, as a CFTC-regulated company, LedgerX is unable to use those currently available solutions for a variety of reasons, including their legal, accounting, and tax reporting uncertainty, their reserve backing status and their lack of audits. I eagerly await a regulated bank that is able and willing to provide a solution that resolves these and other problems. I believe that Avanti is that bank and that Avit is that solution.

Please feel free to contact me if you have any questions or if you would like to discuss any of these points further.

Best wishes,

A handwritten signature in black ink, appearing to read "Zach Dexter".

Zach Dexter
Chief Executive Officer
LedgerX LLC